



# A PERFORMANCE AUDIT OF MEDICAID PRESCRIPTION DRUG CONTROLS

*FEBRUARY 3, 2017*



OFFICE OF THE  
**STATE AUDITOR**

# Background

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Opioid Death Rate per 100,000

	2010	2011	2012	2013	2014	2015
Arizona	7.02	5.88	5.95	5.18	5.62	5.9
Colorado	4.49	6.04	5.71	5.66	6.57	6
Idaho	4.47	4.42	3.38	4.09	3.92	4.4
Nevada	14.44	14.21	13.66	11.29	10.14	10.9
New Mexico	7.43	7.97	10.84	11.61	13.91	10.1
<b>Utah</b>	<b>10.82</b>	<b>12.67</b>	<b>14.15</b>	<b>14.2</b>	<b>14.68</b>	<b>14.1</b>
Wyoming	7.27	6.51	5.9	6.35	6.85	6.1

Source: Centers for Disease Control and Prevention.



# Three Main Audit Areas

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- I. Deceased prescribers and recipients
- II. Ineligible or sanctioned prescribers
- III. Medicaid recipients at high risk for overutilization



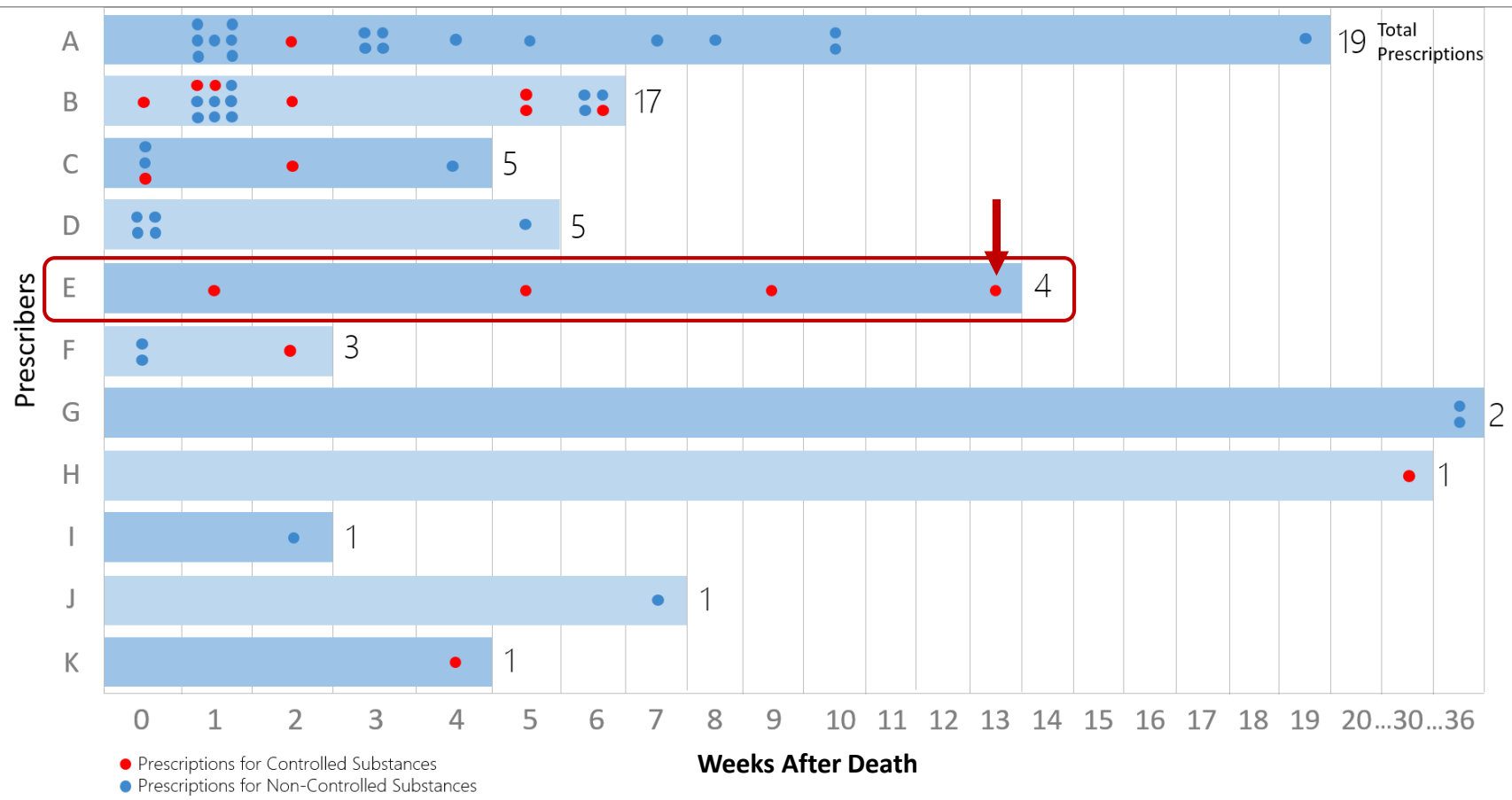
# Deceased Prescribers

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- We found **59** prescriptions written *after* the death of **11** prescribers for **32** Medicaid recipients
- Approx. **29 percent** controlled substance prescriptions



# Deceased Prescribers



Source: OSA analysis of DHCF pharmacy claims and OVRs death data.



# Deceased Recipients

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- We found **52** prescriptions dispensed after the death of **25** recipients
  - Approx. **15 percent** controlled substance prescriptions



# Ineligible or Sanctioned Providers

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- Ineligible providers: providers not enrolled in the Utah Medicaid Program to prescribe or dispense to Medicaid recipients
- Sanctioned providers: providers either terminated or suspended from the Utah Medicaid Program



# Ineligible Providers

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- **234** prescriptions written by **48** prescribers not enrolled to prescribe to **121** different Medicaid recipients
- **4** prescriptions dispensed from **2** ineligible pharmacies (including 1 prescription for \$80,000 and 2 other prescriptions for \$16,000 each)



# Sanctioned Providers

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- **138** prescriptions written by **2** sanctioned providers to **40** different recipients
  - Approx. **52 percent** were controlled substance prescriptions



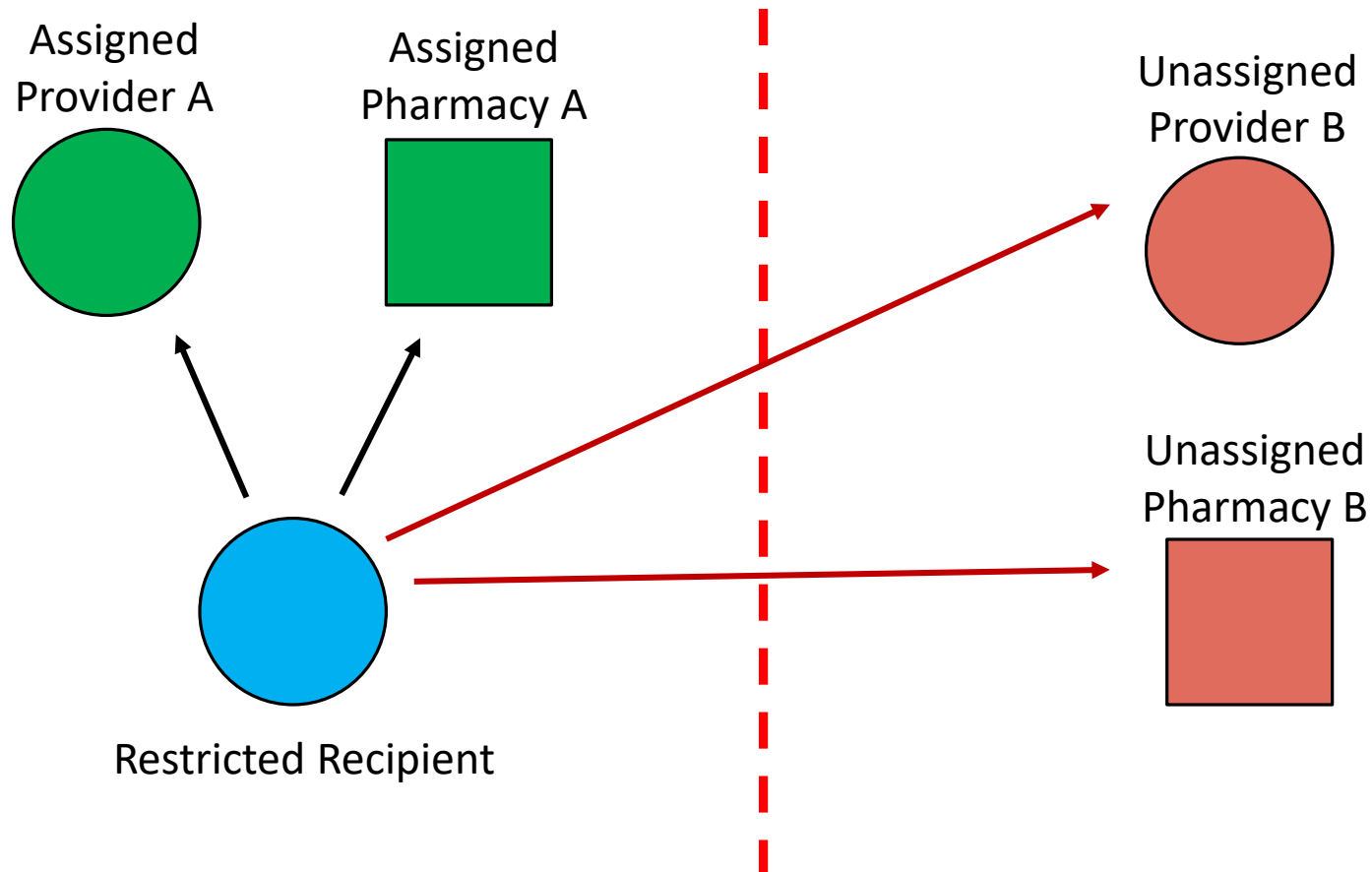
# Overutilization

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- Federal regulation allows for states to establish a program to restrict high-risk individuals to specific providers and pharmacies
- The Client Restriction Program is intended to reduce unnecessary costs



# Utah Client Restriction Program (CRP)



For roughly 19 percent of restricted recipients reviewed, Utah Medicaid paid for prescriptions written or dispensed by unassigned providers and pharmacies



# Unassigned Prescribers

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- We found **609** prescriptions written by unassigned prescribers to **170** restricted recipients
- A generic form of Percocet was the most prescribed drug by unassigned providers, in both number of prescriptions and pills
- For example, one restricted recipient received 770 Percocet pills from 13 prescriptions from an unassigned prescriber



# Unassigned Pharmacies

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- We found **465** prescriptions dispensed at unassigned pharmacies to **90** restricted recipients
- Oxycodone was the most prescribed drug dispensed from unassigned pharmacies
- For example, one restricted recipient received 14 prescriptions for oxycodone dispensed from two unassigned pharmacies



# Inconsistent Restriction Review Process

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- Some reviewer decisions appear to be made inconsistently and contrary to policy
- For example, some reviews did not appear to consider concurrent prescribing behavior (i.e., “doctor shopping”) in restriction decisions, which may allow recipients with drug-seeking behaviors to continue to receive controlled substances funded by Medicaid



# Inadequate Review Prioritization

Number of SURS Reports	Total Recipients	Recipients Reviewed	Percentage
6	1,151	62	5.39%
7	930	41	4.41%
8	893	37	4.14%
9	798	19	2.38%
10	444	14	3.15%
11	876	15	1.71%
TOTAL (6+)	5,092	188	3.69%



# Conclusion

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- Implementation of our audit recommendations will improve controls and data integrity to ensure the proper use of Medicaid funds and access to controlled substances





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